

Units	1997-98 Profit(+)/Loss(-)	1998-99 Profit(+)/Loss(-)	1999-2000 Profit(+)/Loss(-)
Namrup	(-) 201.71	(-) 78.83	(-) 84.58
Durgapur	(-) 198.69	(-) 214.95	(-) 241.83
Barauni	(-) 244.79	(-) 217.97	(-) 238.63
Marketing/Others	(-)2.64	(-)2.74	(+)0.81

#### **Revival of Ramagundam Fertilizer Unit**

3412. SHRI YADLAPATI VENKAT RAO: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Andhra Pradesh Government has requested to revive the fertilizer unit of the Fertilizer Corporation of India at Ramagundam, at the earliest; and
- (b) if so, the steps taken to ensure that the plant is not closed on account of resource crunch?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) Yes, Sir.

(b) The comprehensive rehabilitation proposal for Fertilizer Corporation of India Ltd. including its Ramagundam Unit based on unit-wise techno-economic viability is to be submitted to the competent authority in the Government and thereafter for final sanction of Board for Industrial and Financial Reconstruction.

#### **Improving the efficiency of Urea Units**

3413. SHRIGOPALSINHG. SOLANKI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether Government propose to initiate any action for improving the efficiency of gas-based and Naphtha-based urea units; and
- (b) if so, the line of action proposed and the target date thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) and (b) Government policy

encourages indigenous urea manufacturers to implement energy reduction measures such as purge gas recovery unit, synthesis converter retrofit, on line optimizer and selectoxo process for ammonia plants. The investment made on such energy saving schemes is recognized immediately for fixation of retention price but the benefits accruing on this account are allowed to be retained by the units for three years, after which they are mopped up for pricing purposes.

**Increase in prices of imported urea**

3414. SHRI BRATIN SENGUPTA:

SHRI GOPALSINH G. SOLANKI:

SHRI DILIP SINGH JUDEV:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that following the news of the likely import of urea by India, the prices of the imported urea have gone up by more than thirty per cent in the last one month;

(b) if so, the reasons therefor; and

(c) how the prices of imported urea compare with the average cost of the urea produced locally from gas-based and naphtha-based plants of the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) and (b) The purchases of urea by India do impact on prices in the international market. But in the current year 2000-2001, no imports of urea have so far been made on Government account. The prices of urea in the international market have firmed up. From nearly US \$ 107—110 per metric tonne (FOB) on 22.6.2000, the price has gone up to nearly US \$ 135—138 per metric tonne (FOB) ex-Yuzhny and nearly US \$ 137—140 per metric tonne (FOB) ex-Arabian Gulf on 10.8.2000. According to Fertilizer Monthly Bulletin (FMB) and the Fertecon Weekly, factors responsible for increase in prices appear to be production problems in Indonesia, Latin America, United States of America and CIS countries due to problems in availability of gas and increase in its prices as well as strong demand for urea in Vietnam and Latin America.

(c) The average FOB price of urea in international market is currently in the region of US \$ 137.50—US \$ 138 per metric tonne. The freight rate is